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RADICAL CHANGES IN TAX PROVISIONS

Are Made In Bill Passed By
House At Frankfort—Speaker
Plans To Help Counties

What Thompson's Tax Bill Provides

Frankfort, Feb. 11—The principal provisions of Speaker James H. Thompson's tax bill which passed the House Representatives at Frankfort Friday are:

Farm lands 30 cents state, full county rates.

Town lots, 30 cents state, full county and city rates.

Mineral rights, 40 cents state, full county and city rates.

Agricultural products, 40 cents state, 50 cent limit on city and county rates.

Miscellaneous intangibles 40 cents state, full county and city rates.

Intangibles, 30 cents state, and 30 cents county rate.

Mineral rights are to be taxed in addition to land on which they are located.

Frankfort, Feb. 11—Speaker

James H. Thompson's bill changing the classification of property for taxation purposes, removing exemptions, and lowering the rate on farm lands, while increasing that on intangibles, passed the House of Representatives after an all-day debate, late Friday afternoon, by a vote of 59 to 28.

Numerous amendments were voted down, the principal one adopted being by G. Lucien Drury, of Union county, permitting an appeal to the county courts from the findings of the state tax commission.

Mr. Thompson explained his theory of taxation and pointed out the features of the bill which reduces the state revenue on farm lands, town lots and intangibles at 30 cents and permits counties to collect 30 cents on intangibles. The net result is an increase of county revenues of approximately \$2,000,000 and the reduction of the state revenues by the same amount on calculations based on last year's assessments.

"When the present law was being considered in 1917," said Mr. Thompson, "I was before the Legislature and stated that the law would not increase state all revenues, but would merely legalize the methods of evasion. I told them that the only manner in which more money could be raised by local government was by increasing assessment on real estate. Time has shown that I was a good prophet. The biggest tax burden is for the local government. The state receives but \$12,000,000 while the counties get \$70,000,000. The place to use the primary tax is in the state revenue and not in the counties, which we must not neglect. If we let the state tax numerous properties exempt to the county we are voting away our birthright to the state. Political writers the world over agree with the ideas incorporated in my bill."

It is from Vernon N. Clarke, Louisville, that the strongest of position comes. Two years ago when I made an appeal here for the taxpayers of Kentucky to oppose me, he said it was difficult to determine what place of taxation I was concerned about.

Mr. Thompson read from Mr. Clarke's statement opposing his bill in which the latter stated that the bill had been useless and unnecessary in view and that it had been voted in passage. "I have labored every day since the session started on this bill. I have gone over it with the attorney general and a former attorney general until I am ashamed to bring it up again."

Following this explanation of his bill, Mr. Thompson said that he wished to classify properties. "You think you have a classification," he said, "but you haven't got it right. One property pays \$3 and another nothing to the state. It is the basis of the tax." He said, "as much as at present if the State Commission increases a county's assessment, the burden falls on those who are already paying."

Purchase of Green Hills, the mansion of Rhinehart estate of the late J. B. Haggard, as a national club house for Shriners is being considered by the Imperial Council, order of the Mystic Shrine, at the suggestion of Gus Gutman, of Lexington.

to taxacion under whatever jurisdiction it falls. If we say that the tax on intangibles is only to be collected by the state and the county can't touch them, the burden is not equally distributed. Fix class rates in proportion to the ability of the various classes to pay and apply to these rates for every purpose. I have the endorsement of every political writer in the world on that." Mr. Thompson quoted from several economists with whom he has corresponded in regard to the provisions of the bill.

The speaker pointed out that in many states one-half of the intangible tax goes to the counties and in others all of it. "The state has no moral right to come in and take the tax on any class of property," he said. "We have the inherent right to this tax for the support of our local governments. The fact that some counties have more of a certain class of property than others is no reason for voting away the country's right."

"You are guardians of your counties. If the state gets more than its share it is your fault, not that of the State Commission. It is seeking all it can get. We continue to exempt property from local taxation we can never lower rates, but they will continue to go up as long as the state takes all."

Mr. Thompson recited briefly the classifications of his bill and the rates allowed under its provisions. "No exception is made as regards tangibles," he said. "If we exempt one and then another, eventually we will have nothing left. The purpose is to tax every man alike. We want to make Louisville uncover its intangibles and eastern Kentucky its mineral rights. If we don't the agitation now going on between different parts of the state will continue. Louisville says put a big tax on coal, a production tax. But that is not right, for we want no double taxation. We are all Kentuckians and ought to be taxed alike and each be made to bear his share of the burden."

"Central Kentucky says make Louisville uncover its intangibles and so the contention continues. So far as intangibles are concerned, we have found that we can't safely exceed sixty cents, the maximum under this bill. They say intangibles will run away. Where will they run?"

"Mr. Clarke says this tax bill is crude. It won't protect his tax-dodging clients, but it will get results. The counties will be \$2,000,000 better off under it. If there is a state deficit it is on all of us and all must share it alike. Mr. Clarke claims there is \$5,000,000 worth of taxable property not listed. We want to expose this and stop the crime of hiding property. Mr. Clarke represents the dodgers."

Mr. Thompson took up several counties, showing how much would be saved by the local government under his bill which formerly went to the state. Jefferson county would receive tax of \$847,000; Graves \$50,000; Hardin \$25,000 and Warren \$41,000, he said.

"Another thing this bill does is to get co-operation between counties' tax commissioners and the state commissioner. Nowhere is there contention, the local authorities refusing to look up property on which they receive no tax."

"This bill will give a fair deal to everyone. It will bring to light those who conceal property and there will be no double taxation under it. If we list \$450,000,000 more property, a small part of Mr. Clarke's five billion we will be back where we are now."

In answer to a question of Representative Oscar Leileon, of Louisville, as to how this property was to be brought out, Mr. Thompson took up the section of his bill which provides that the State Tax Commission can fix individual assessments. "This is one of the strongest parts of the bill," he said, "asmuch as at present if the State Commission increases a county's assessment, the burden falls on those who are already paying."

Following this explanation of his bill, Mr. Thompson said that he wished to classify properties. "You think you have a classification," he said, "but you haven't got it right. One property pays \$3 and another nothing to the state. It is the basis of the tax." He said, "as much as at present if the State Commission increases a county's assessment, the burden falls on those who are already paying."

OLD MADISON LEADS EIGHTH DISTRICT IN WOODROW WILSON FOUNDATION

Madison county excelled all other counties in the 8th Congressional District in her subscription to the Woodrow Wilson Foundation Fund. The following letter from H. B. Kinsolving, chairman for this district, tells the story:

Hon. S. M. Saufley,
Richmond, Kentucky.

My Dear Sir:

I received the check for the Woodrow Wilson Foundation, which you mailed to me last week, and have delivered same to State Headquarters. Madison county raised the largest quota of any county in the Eighth Congressional District and I desire to extend to you on behalf of the entire organization my sincere thanks for your interest and enthusiasm in this splendid work.

Shelby, Mercer and Boyle have also gone over the top with the same size quota as Madison, but not one of them has reported a sum equal to the final report of your county.

With very kindest regards, I remain

Yours very truly,
H. B. KINSOLVING, JR.
Chairman 8th Congressional Dist.

MRS. LUCY M. BURTON BURNAM TESTIFIES DIES AT PAINT LICK IN HUGHES DRUG CASE

Death relieved the suffering of Mrs. Lucy M. Burton, of Paint Lick, on the evening of February 9th, at her home after an illness of 14 years of rheumatism.

The hearing on an application of Mrs. Lucy M. Burton, of Paint Lick, for a renewal of its permit to sell whisky on prescriptions, which Prohibition Director Sam Collins and Agent Lucien Burnam were called to Washington to attend, was not a hearing in the ordinary sense of the term, Director Collins said. The setting of a date for a hearing on the question resulted from an error of some one in the legal department, at Washington.

The application of the Frankfort drug store for a renewal of its permit to sell whisky was disapproved by Director Collins and the firm took the question up with Washington authorities, it was said. Commissioner Roy Haynes heard the statement of the drug firm's case but withheld action or comment on the case for the time being.

STRANGE SEEKS TO ABOLISH BOGGS' JOB

PREHISTORIC BONES

NEAR LEXINGTON

(By Associated Press)

Lexington, Feb. 11—Discovery of the remains of mammoth of prehistoric days at Big Bone Lick has furnished a fresh trial for scientific research, according to Prof. A. M. Miller, head of the department of geology at the University of Kentucky.

The state's licks and caves contain a larger variety of mammal remains, including those of prehistoric man, than are to be found in other states, he says.

The jawbone of an Indian, skeletons of bears and wolves, all of which lived many hundreds of years ago, are among the recent discoveries in the state, Mr. Miller says. These relics were unearthed on the Brack Smith farm on the old Frankfort Pike.

3 Stills Captured In East

Irvine, Ky., Feb. 11—George Vinegar, chief of police; Jesse Hamilton, and United States Marshal Green Covey, made a raid at the Old Landing neighborhood Friday and captured three moonshine stills, destroying two and bringing in the other, a 20-gallon copper tank, to town. Warrants had been issued for five men, it was said today. The copper tank was made in Louisville.

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BUSINESS MEN CALLED TO MEET

Question of Organizing Chamber of Commerce Will Be Discussed Monday Evening

Richmond wants another Chamber of Commerce and it looks like she might get it.

A number of business men realizing the need of a commercial organization, have called a meeting for Monday night to discuss the proposition. Tentative survey of the situation seems to indicate that no expensive organization will be contemplated. The call for the meeting Monday night reads as follows:

There's a growing feeling in the minds of our citizens that Richmond ought to have some kind of a commercial organization. Things come up from time to time which ought to be attended to for the public good of our city, but with no organization there is no one to attend to the matter.

Every citizen who has the interest of our city at heart and who desires Richmond to be a progressive city, is urged to meet at the State Bank and Trust Co. on Monday night, February 13, at 7 o'clock to talk over the matter and to try to effect an organization to work for the improvement of our city and county.

R. J. McKEE
JOHN W. ARNOLD,
R. E. TURLEY.

POOL CONTINUES TO SELL ITS CROPS

Lexington, Ky., Feb. 11—The Burley Tobacco Growers' Co-operative Association is selling to tobacco and the firm took the question up with Washington authorities, it was said. Commissioner Roy Haynes heard the statement of the drug firm's case but withheld action or comment on the case for the time being.

Mr. Stone did not give the names of any of the purchasers, but a number of tobacco men have been among the callers at Mr. Stone's office.

Careful study is being made of the sworn reports of Kentucky warehouses as to the amount of their sales and their averages. It is said that the sales of burley for growers of the crop of 1921 total less than 28,000,000 pounds, and that the average is slightly above 20 cents a pound, with the independent houses about ready to finish the season for lack of material to hold sales.

The Horse Cave market, over which there was some controversy early in the season, has announced it will quit for the season February 21.

Other warehouses which have been holding daily sales of burley earlier in the season are now having two sales a week, indicating that the crop of those growers whose chose to remain outside of the association has about been disposed of.

The field force of the association under the direction of Joseph Passonneau, chief of the division, is looking after the association's interest at all market points. There have been few if any violations of the contract by growers.

Mr. Passonneau said last night:

"With the completion next week of the organization of the warehousing corporations which will be subsidiaries of the association, every legal detail of the organization will have been attended to."

Mr. Stone said last night that he and his fellow officials were happy over the prospect for the early sale of the entire holding of the association.

\$50,000 Fire Loss in Louisville

(By Associated Press)

Lexington, Feb. 11—Fire due to spontaneous combustion destroyed the major portion of the plant of the Kentucky Venetian Works here today. The loss is estimated at about \$50,000.

Week's Weather Guess

(By Associated Press)

Washington, Feb. 11—Weather prediction for the Ohio valley and Tennessee: Much cloudiness; occasional shows of rain; cooler at the beginning, warmer thereafter.

FOR RENT—One office suite and housekeeping flat. See G. V. Goodloe.

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Fresh fish of all varieties, Gyros and all the delicacies of the season at Neff's. Phone 481-861

The Weather
Rain or snow late tonight and Sunday; colder tonight and in east portion Sunday.

Today's Livestock Markets
Cincinnati, Feb. 11—Cattle steady; hogs steady; Chicago strong.

Louisville, Feb. 11—Cattle 500, slow; hogs 2400, strong; sheep 50, steady; all unchanged.

By Associated Press

Newport, Feb. 11—Rapid developments followed sensational raids by the state troops on Newport saloons yesterday, including the issuing of federal warrants for the arrest of persons it is alleged were caught in the net thrown about the city by the militiamen who are on guard here during the rolling mill strike. One warrant calls for the arrest of William C. Bullock, county judge of Campbell county, who is charged with having knowledge of liquor law violations here and failing to report them to federal authorities. The extreme penalty in case of conviction is three years.

Results of Clean-Up
Newport, Feb. 11—National guard officers and federal prohibition agents today were checking up the results of the simultaneous raids Friday afternoon on more than a score of saloons. The results were summed up about like this:

Twenty saloons raided.
Twenty persons arrested.
Many shotguns, rifles and revolvers confiscated.

Four hundred pounds of ammunition seized.
Truck and automobile loaded with liquor captured.

Ten stills uncovered.
Many gambling and slot machines captured.

In addition, County Judge William C. Bullock was taken into custody at one of the cafes, and cited to appear before the United States Commissioner.

The "clean-up" is one of the most sweeping in the United States since prohibition.

The raid was planned by Col. H. H. Denhardt commanding the troops at the Newport Rolling Mills where a strike is in progress.

Much of the lawlessness was plotted in these saloons, according to the trooper commander.

ANOTHER CONFED. GOES
TO JOIN BOYS IN GRAY

(By Associated Press)

Lawrenceburg, Feb. 11—Col. James T. Ripy, Confederate veteran and retired distiller, widely known in Kentucky, died at his home here today after an illness of 11 days of pneumonia.

He was born in Anderson county, April 2, 1846. At the outset of the war he enlisted with the Confederate army and became a member of the Fifth Kentucky Cavalry under General John Hunt Morgan, famous Southern leader.

He married Miss Helen Lillard, daughter of Judge C. M. Lillard, in 1869. They celebrated their golden wedding anniversary three years ago.

He is survived by a widow, four sons and a daughter, all of whom were at his bedside. Clothed in his beloved Confederate uniform the body will be laid to rest in the cemetery here Monday afternoon.

Base Ball Meeting Postponed At Lexington